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March 7, 1925

F.S.
H-1

FOREIGN NEWS ON HOPS

BRITISH SUPPLIES OF HOPS HEAVY IN 1925

Great Britain will have on hand about 50 million pounds of hops, or nearly two years supply, when the hop control expires in August, 1925, according to Mr. G. Foster Clark, Hop Controller, who is quoted in the "Brewers' Journal" for February 15, 1925. This heavy accumulation of supplies is due largely to the unexpectedly abundant crop of the past year. Supplies were already large at the time the crop was planted, and the areas devoted to hops in Great Britain in 1924 accordingly were restricted by the Controller, but in spite of that move, the crop reached the large figure of 53,760,000 /a pounds. Of the accumulations by August, 1925, one-third will consist of surplus imports, and two-thirds of home grown hops. In addition there will be the product of the 1925 pickings, the last of the crops to be grown under the Hop Control Act.

/a This figure is somewhat higher than the official estimate of 49,840,000 lbs.

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October 12, 1925

F.S.
H-2

FOREIGN NEWS ON HOPS

THE 1925 WORLD HOP CROP

The world's hop crop this year is probably between 20 and 22 per cent smaller than the good crop of 1924, according to reports received in the Department of Agriculture up to October 10. These reports include estimates for all countries normally reporting, except Canada. Most of the decrease is accounted for by the reduction in the English crop from the record yield of nearly 50,000,000 pounds of last year, to one of 33,000,000 pounds this year. Czech slovakia and France are the only other important producers to report large decreases. The crop in Continental Europe this year is estimated to be between 17 and 21 per cent below that of 1924. The United States crop is almost equal to that of last year. Most of the reports on foreign countries, for this year, are unofficial, but in general they agree with reports of the condition of the growing crop previously received.

The decrease in production in England would seem to be especially significant to American growers, with a large part of the United States crop being marketed in that country, but it should be borne in mind that the English crop last year was a bumper crop, and that this year's crop, according to the present report, although a third below that of 1924, is above the average of the three years 1921-23, and slightly above the average production in the pre-war years 1909-13.

The British demand this year for American hops is uncertain. Stocks of domestic and foreign hops in England are reported to be high, and there are prospects of a good home grown supply. In addition, a tariff of about 17 cents per pound is now in effect. Trade figures show, however, that British imports of hops did not cease when the tariff went into effect. The Continental situation may also influence our export trade in hops. Continental stocks are said to be very low, and the new crop promises to be considerably below that of last year. Since British hops are preferred to the American product for brewing Continental lager beers, it is possible that Continental brewers will call upon England to make up their deficit, thereby making a stronger market for American hops in Great Britain.

HOPS: Production, 1924 and 1925

Country	1924	1925 Preliminary
	1,000 pounds	1,000 pounds
United States	25,333	24,801
England	49,840	a/ 33,069
Czechoslovakia	21,970	15,432
		Unofficial estimates
Belgium	5,478	3,584 to 3,696
France	11,187	6,720 to 7,504
Germany	b/ 12,418	14,336 to 14,974
Austria	90	157 to 224
Hungary	106	78 to 90
Yugoslavia	4,820	4,256 to 4,368
Rumania	220	190 to 224
Poland	3,240	2,240 to 2,688
Australia and New Zealand	2,425	2,240
Total above countries	137,127	107,103 to 109,310
Total all countries reporting 1924 c/	137,940	

a/ An unofficial estimate places the crop at more than 33,600,000 pounds.
b/ The official figure as quoted here is considerably lower than the estimate of 17,696,000 pounds for the 1924 crop made by the unofficial source quoted for the 1925 estimates.
c/ This total does not include Russia. According to an unofficial estimate the 1925 crop will probably amount to 168,000 pounds. No estimate is available for 1924.

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UNITED STATES DEPARTMENT OF AGRICULTURE
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October 17, 1925.

F.S.
H-3

FOREIGN NEWS ON HOPS

THE BRITISH HOP SITUATION

The probable British demand for foreign hops during the coming year and for the next few years to come, is a question of no small interest to American hop growers, who market the bulk of their crop in the United Kingdom. The British hop control in effect during the war and post-war years, has recently expired, and a duty of four pounds sterling per hundred weight (about 17¢ per pound at exchange prevailing on October 1), has been imposed upon imports of hops from foreign countries. Whether this duty will entirely shut out foreign hops during future years, it is as yet impossible to determine, but present indications are that the United Kingdom will continue to import American hops during the coming year, although possibly in small quantities, and there are some reasons to believe that the British market will continue to be considerably dependent upon foreign countries for future supplies of hops.

The new season starts off with large supplies of both domestic and imported hops in the hands of brewers and the hop trade.

Mr. E. A. Foley, Agricultural Commissioner at London, states that the surplus of English hops on September 30, aside from the crop just harvested, has been estimated at about 29,000,000 pounds. The current English crop is estimated at 33,000,000 pounds or more and the quality, according to all reports, is excellent, one of the finest ever gathered in England. These estimates give a total supply of English hops of about 62,000,000 pounds or more in addition to the supplies of foreign hops which arereported to be large. The English crops, while much smaller than the bumper crop of last year, is a full average yield.

In spite of apparently plentiful supplies, and the presence of an import duty, the United Kingdom, however, has continued to import hops since the tariff became effective on August 15. Imports from August 15 to September 30, in fact, have been larger than during both August and September of last year. It is quite likely, however, that the very low prices prevailing on Pacific Coast hops, are responsible for imports in spite of the tariff. An important factor in the situation, is the proportion of foreign and domestic hops used by British brewers. Before the hops control went into effect, British brewers were using about one third imported hops and two-thirds domestic hops, according to Commissioner Foley. During the control, in effect for the past eight years, the proportion was dropped to about one-sixth foreign hops and about 5/6 domestic hops. It is expected in many quarters that brewers will now

return to the pre-war proportion of one-third imported hops and two-thirds domestic, at least until the stocks of foreign hops are absorbed. Whether brewers will return to these proportions permanently remains to be seen, but with hops still being imported, there is some ground for hope in this direction.

The hop situation is considered quite favorable from the standpoint of English growers. The duty now in effect appears to be generally satisfactory, and over 90 per cent of the British hop acreage is now controlled by a recently formed growers cooperative association, which is expected to do much in the way of stabilizing the industry by the control which it proposes to exert over the marketing of the crop. The organization will attempt only, it is said, to secure a fair and reasonable profit for growers of an average crop. Present information is to the effect that no attempt will be made either to increase or decrease acreage.

While it is still too early to judge the permanent effect of the tariff or the success of British hop growers, it is of interest to note that some European trade reports indicate a belief that the British tariff will be practically prohibitive to the importation of American hops. In forming an opinion as to the long time effect of the tariff, it is necessary, however, to take into consideration British production and consumption of hops. In the ten years 1905 to 1914, inclusive, the United Kingdom produced an average of about 42 million pounds of hops from 38,500 acres. Net imports during the same years averaged about 18,500,000 pounds. Consumption, therefore, was over 60,000,000 pounds.

Consumption during the year ended March 31, 1925 is estimated at approximately 47,000,000 pounds or about 5,000,000 greater than the pre-war average production. Production during the past 5 years, including the bumper crop of 1924, has averaged about 35,000,000 pounds or 12,000,000 less than the present requirements. The indications are, therefore, that the present British acreage would have to be increased from 35 to 50 per cent to reach a status where it can supply domestic requirements, with consumption remaining at the present level. (See page 3).

The trade has been quiet for 1925 hops not included in the scheme for collective selling according to the British Agricultural Market report. As a rule these are taken by the firms who took the growth last year, and supplies for general business are, therefore, very restricted. Prices asked are usually based on last year's values, and the range, so far, is from about £ 7 to £ 10 - 10, (30 to- 45 cts per lb). A trade report states that some English hops were apparently being bought for £ 12 per hundredweight (52 cts per lb) for export to Germany. Continental demand for English hops to supply the shortage there may be a factor in improving the market for American hops in England.

HOPS:- Acreage, production, trade and consumption in the United Kingdom 1905 to 1924

Year	Acreage	Production	Imports less exports	Available for consumption	Estimated consumption
	Acres	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1905	48,967	77,946	9,327	87,273	62,361
1910	32,886	33,899	18,268	52,167	61,740
1913	35,676	28,632	26,302	54,934	62,911
1914	36,661	56,813	8,262	65,075	62,655
Average, 1905-1914	38,518	42,202	18,592	60,794	62,781
1915	34,744	28,459	21,399	55,458	52,320
1916	31,352	34,480	15,163	49,643	50,429
1917 a/...	16,626	25,285	498	25,783	36,885
1918 a/ ..	15,626	15,511	746	16,257	30,240
1919 a/ ..	16,750	21,033	16,966	37,999	42,560
1920 a/ ..	21,000	28,901	b/ 50,638	79,539	54,880
1921 a/ ..	25,130	26,451	b/ 24,010	50,461	49,280
1922 a/ ..	26,330	34,944	13,968	48,912	43,680
1923 c/ ..	24,893	25,648	- 1,113	24,535	44,800
1924 a/ c/	25,897	52,640	- 5,259	47,381	47,040

The Brewers' Almanac, 1925, page 120.
a/ Acreage, production and price during these years are figures as reported by the Hop Controll. b/ Imports on a large scale were allowed by the Hop Controller these years. c/ Excluding Irish Free State.

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HOPS: Imports into the United Kingdom during August, 1924 and 1925

Country from which imported	Month ending August 31				Month ending September 30	
	1924	1925				
		Under hop control	Under a/ tariff	Total	1924	1925
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United States.....	488	438	253	691	178	334
Other countries	5	95	82	177	7	62
Total imports ...	493	533	335	868	185	396

Trade and Navigation of the United Kingdom August 1925.
a/ Compiled from estimated quantities supplied to the customs by importers and are subject to correction when an official account has been taken.

HOPS: Imports into the United Kingdom, by countries, 1915-1924

Year ending Dec.31	United States	Belgium	France	Germany	Canada	Austria-Hungary
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1915	15,101	3,830	2,941	8	80	0
1916	12,039	1,947	1,365	0	762	0
1917	138	608	0	0	212	0
1918	2	0	0	4	0	0
1919	9,341	2,054	2,655	295	1,773	0
1920	b/ 19,121	11,987	5,080	5,639	3,010	4,725
1921	b/ 14,684	1,361	2,908	638	2,138	0
1922	12,998	173	160	0	906	0
1923	191	22	0	0	1,177	0
1924	8,146	a/	a/	a/	a/	a/

Year ending Dec.31	Netherlands	Czecho-slovakia	New Zealand	Russia	Other countries	Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1915	90		293	15	80	22,438
1916	38		368	84	29	16,622
1917	0		16	0	43	1,017
1918	0		0	0	0	6
1919	126		75	0	980	17,299
1920	1,665		42	124	78	b/51,471
1921	28	2,721	72	0	104	b/24,654
1922	14	338	0	0	11	14,600
1923	0	26	90	0	0	1,506
1924	a/	a/	a/	a/	2,522	10,668

Compiled from Annual Statement of the Trade of the United Kingdom with Foreign countries and British Possessions, 1915-1923, and Accounts Relating to the Trade and Navigation of the United Kingdom, December, 1924.

a/ If any, included in "Other countries."

b/ In 1920 and 1921 the Hop Controller allowed imports on a large scale but in 1922, ,923 and 1924 drastically reduced them according to the Brewer's Almanac.

HOPS:- Average prices of English and American crops, 1900 to 1924

Crop of	English Hops a/		American Hops San Francisco d/
	Control price as officially reported b/	Price for season September to March as reported by Tabrum & Son. c/	
	Cents per lb.	Cents per lb.	Cents per lb.
1900		25.78	
1905		12.80	
1910		23.13	
1915		27.59	
1916			
1917	32.90	c/ 37.14	
1918	70.04	c/ 79.60	19.5
1919	76.95	c/ 79.91	59.2
1920	57.16	c/ 63.70	61.6
1921	58.88	c/ 67.08	24.4
1922	41.52	c/ 47.45	17.6
1923	51.73	59.22	17.2
1924	34.51	c/ 40.43	24.2

a/ It seems probable that the Control Price as officially reported is the price to the grower or a price in an early stage of the marketing process while the other is the price to the brewer or some other price at a later stage of the process since the difference is rather consistently higher in the latter case. b/ Report of the Ministry of Agricultural Statistics on Prices and Supplies of Agricultural Produce and Requirements in England and Wales, 1917 to 1924-25. c/ The Brewers' Almanac, 1915, page 119. d/ U. S. Department of Agriculture Yearbook, 1924. e/ Hop Controller's figures.

CANADIAN HOP GROWERS AND THE BRITISH TARIFF

The close of the control and the passing of the tariff law in England is viewed with disfavor by the Canadian hop growers in spite of the preferential rate which they enjoy according to Consul Towell at Vancouver. He states that the hop growers say the preference of about 5 cents a pound in their favor is not enough to protect them since growers in the United States can still undersell them.

The following report of the organization of the English Hop Cooperative Society has been forwarded by Consular Clerk Nutting at London.

"The organization for the co-operative marketing of hops, which have ceased to be under Government control since August 16th last, has been formed under the Industrial and Provident Societies Act, 1893, and is on the National Farmers' Union Register of co-operative societies.

"The name is English Hop Growers, Limited, and its objects are:-

(1) To organize the marketing of home-grown hops by their sale through a single agency.
(2) To carry on business as wholesale and retail dealers in and agents for the sale of hops.
(3) To carry on the business of purchasers of and wholesale and retail dealers and agents for the sale of hops.
(4) To carry on any other trades, industries or businesses which may seem calculated to further any of these objects.

"A member who is a hopgrower must hold at least one transferable share in respect of each acre or part of an acre he has under cultivation for hops, and a society or company admitted as a member must hold not less than ten shares. Joint owners of a share or shares are to be considered as one member. Shares are transferable, but not withdrawable, and are of the nominal value of 2s. each, payable on issue. No transfer will be valid unless the consent of the Board has been first obtained.

"The management is vested in not less than 13, nor more than 17 directors, the first eight of whom are the signatories to the application for registration.

"No person who is a director or manager of, or holds any other controlling position in a firm, company or society competing in business with the society, is eldigible for election as a director.

"The payment of interest at 5 per cent per annum on the paid-up share is to be the first charge on the net profits in each year, and the balance remaining, if any, is to be allocated to reserve or dealt with by the directors, subject to approval:

(a) In paying to members, for whom the society shall make any sales, such sums by way of bonus or rebate in respect of such sales on such terms and conditions and generally in such manner as the directors shall think fit. (b) In extending the operations of the society.

"The society has power, before undertaking on behalf of a member the sale of any produce, to require him to enter into a contract to deliver to the society for sale on the terms and conditions of the contract such definite proportion of the produce grown or produced by him."

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October 24, 1925

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FOREIGN NEWS ON HOPS

BRITISH HOP PRODUCTION INCREASED

British hop production is officially estimated at 39,760,000 pounds from an acreage of 26,256 acres, according to a cabled report from Agricultural Commissioner E. A. Foley at London. This is considerably larger than the 33,069,000 pounds previously published as reported by the International Institute of Agriculture. While the crop this year is 20 per cent below last year's record crop of 49,840,000 pounds it is, with the exception of last year, the largest one produced since 1914 when a crop of 56,784,000 pounds was harvested from an acreage of 36,661 acres. The average yield per acre this year is 1,514 pounds as compared with 1,925 last year and 1,549 pounds in 1914.

Substituting the revised figure for England in the table on hop production in the Department's report on hops of October 17, F.S./H-3, the total production for 13 countries reporting amounts to from 113,794,000 to 116,001,000 pounds as compared with a production of 137,127,000 pounds for the same countries in 1924 or a decrease of from 15 per cent to 17 per cent from last year's crop.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

October 30, 1925

F.S.
H-5

FOREIGN NEWS ON HOPS

UNITED STATES RAISES WORLD HOP ESTIMATE

The 1925 hop production in 13 countries reporting to date, including the October 1 estimate of 28,386,000 pounds for the United States, is now placed at from 117,379,000 to 119,586,000 pounds, as compared with a production of 137,127,000 pounds in the same countries in 1924. The increase of 14.5 per cent in the estimate for the United States between September 1 and October 1, brings the total crop in the 13 countries up to 12.8 to 14.4 per cent below last year, rather than 15 to 17 per cent below as last reported.

No estimate is yet available on the 1925 Canadian crop. The area harvested, however, is reported at 640 acres, an increase of 26 per cent over the acreage which last year produced 813,000 pounds. Based upon the present market price, the crop of hops in British Columbia this year is reported to be worth about $500,000 compared with $317,159 in 1924, and $399,922 in 1923. The crop in the latter year amounted to 999,804 pounds, and in 1924 to 813,228 pounds. Canadian hop growers, according to Consul Tewell at Vancouver, are seeking a domestic market for much of the crop which has been shipped to England in the past few years, as it is believed doubtful that much will be shipped to England in the face of the new British import duty of 12 cents per pound on Canadian hops. Renewed brewing activities in several Canadian provinces, are expected to provide a market for a good share of the crop.

The quality of the Belgian hop crop is reported to be unsatisfactory according to Consul C. E. MacEachran at Ghent, Belgium. The yield per acre is said to have amounted to from 892 to 1,070 pounds per acre. Applying this yield per acre to the acreage sown, which according to official estimate amounted to 3,158 acres, gives a total yield for Belgium of from 2,817,000 to 3,379,000 pounds of hops as compared with last year's crop of 5,478,000 pounds. These figures are somewhat lower than those previously published from an unofficial source which placed the crop at from 3,584,000 to 3,696,000 pounds. The Consul states that about 90 per cent is being exported to Germany and Bohemia. Prices of Belgian hops rose nearly 50 per cent during the three months ending September 30, German buyers offering up to $39.20 per hundred pounds for green hops under cultivation. Poperinghe 1925 crop hops were quoted during July at the equivalent of about $25 per hundred pounds and at the close of September at $35.25 for November delivery. Alost hops, 1925 crop, were quoted at $27.25 in July, and at the close of September at $38.25.

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November 7, 1925

FOREIGN NEWS ON HOPS

LATE EUROPEAN RETURNS REDUCE HOP CROP

The total hop production for 13 countries reporting to date, including revised estimates for Czechoslovakia and Germany, amounts to between 112,671,000 and 114,240,000 pounds, or a decrease of between 16.7 and 17.8 per cent, compared with the crop produced by the same countries last year, according to reports received in the Department of Agriculture. This is a reduction of around 5,000,000 pounds from figures reported on October 30.

The hop crop of Czechoslovakia is officially estimated at 14,413,675 pounds, or slightly below the previous estimate for this year, and 34.4 per cent below last year's production of 21,966,634 pounds, according to a report by American Commercial Attache James F. Hodgson. The yield per acre in Czechoslovakia is estimated at 642 pounds as compared with last year's unusually large yield of 1,088 pounds per acre. The poor crop is said to have been caused by excessive rainfall and lack of sunshine during the growing season, particularly in the province of Bohemia, which produces the bulk of the crop. The quality of the hops this year is reported inferior to last year's crop. The wholesale price of hops in the Saaz district, October 15, was reported as $1.24 to $1.29 per pound (4,600 - 4,800 crowns per 50 kg.) for first grade hops, and at $1.18 to $1.21 per pound for second grade hops.

The German hop crop is estimated at 10,646,000 pounds as compared with a crop of 12,418,000 pounds produced last year. This figure is considerably lower than the unofficial estimate previously published which placed the crop at between 14,336,000 pounds and 14,974,000 pounds. Germany has recently bought some of the finest English hops because of the shortage in best qualities in Germany this year, according to Consular Clerk Alfred Nutting at London. Germany formerly bought only the small green hops.

The French hop crop is of good quality and there has been a great deal of buying by Germans in Alsace and Burgundy, as a result, it is said, of the very ordinary crop in Germany and the increasing needs of German brewers, according to a report from Consul Raymond Davis at Paris. The French brewers' will not be able to use large quantities of hops at the present high prices the Consul states. Saaz prime quality hops were being quoted in Paris at $1.56 per pound on October 8, after the record price reached in September of $1.67 per pound. The cheapest of the foreign hops regularly quoted (Galicia medium) stood at $1.28 per pound, while Alsatian hops sold at $1.03 per pound. More than 70 per cent of the total French crop has already been sold. France is normally an exporter of hops.

The total consumption of hops in Europe is estimated at 132,160,000 pounds, according to a report by Coninck Van Moyen, hop merchant at Alost, Belgium. The same report placed the European hop crop, exclusive of Austria, Rumania and Hungary, minor producing countries, at 80,000,000 pounds. This figure is somewhat lower than the total of between 85,310,000 and 87,404,000 pounds for the same countries as reported in the hop table published in our report H-2, dated October 12.